Testimony of Robert Brug On behalf of the Campbell County Conservation District

CBM Produced Water Issues Before the CBM Task Force

July 6, 2006

Good morning, I am Robert Brug, Supervisor of the Campbell County Conservation District (CCCD) and a rancher from Recluse, Wyoming. On my operation, the Brug Land and Livestock Company, we pasture cattle on 15,000 deeded, state, and federal acreage and have four (4) CBM companies and four (4) conventional oil and gas companies producing on our ranch.

As a Conservation District, we have a mission: to coordinate assistance from all available sources—public and private, local, state and federal – in an effort to develop locally driven solutions to natural resource concerns. We have five volunteers serving in elected positions on our Conservation District's governing board. Working directly with cooperating land managers in Campbell County, we support voluntary, incentive based programs that provide a range of options, providing both financial and technical assistance to guide landowners in the adoption of conservation practices, improving soil, air and water quality providing habitat and enhanced land management.

The District's involvement in produced water discharge issues include:

- Conducted water quality analysis through a EPA/WDEQ Section 319 grant on the Powder River and Little Powder River Watersheds in 2002 & 2003, some waterbodies sampled were pre-CBM development, others already had development with discharge occurring
- Provided background analysis information from monitoring to cooperating landowners & EPA/WDEQ
- Served in a facilitative capacity to landowners dealing with discharge water issues
 - District provided technical assistance through the Natural Resources Conservation Service (NRCS) on pipelines, grazing management plans, and cost-share programs
 - o Coordinated appropriate agencies and industry for on-site tours and meetings with landowners managing for discharge issues
 - Utilized Coordinated Resource Management (CRM) process with WY Department of Agriculture on Dead Horse Creek, Wild Horse Creek, Spotted Horse Creek, and Caballo Creek, treated as a whole watershed with all landowners, agencies, and industry involved
 - Utilized CRM process with individual landowners and all coordinating agencies and industry to work on discharge water projects and individual discharge issues

- Received both positive and negative feedback from CRM's. Individual CRM processes have been a success but the watershed CRM's were too slow for the CBM development
- Information and Education Workshops
- Technical Assistance through Coal Bed Methane Coordination Coalition
 - Water Well Issues
 - o Resurfacing of discharge water
 - o Near surface injection (200-300' deep in Wassatch)
 - o Shallow alluvial water sequestration (Brug CRM)
- Involved in Watershed Based Permitting Process

Main issues heard by CCCD from County residents:

- Downstream issues of water resurfacing from impoundments
- Volume of water/Channel capacity to handle volume predicted
- Prior water rights being encroached upon with CBM discharge
- Water Quality
- Planning for Discharge Water
- Utilizing discharge water for dust abatement for County use

A majority of the issues heard by CCCD were addressed through working with corresponding agencies with authority to handle the concerns. CCCD has worked mainly with WDEQ and the State Engineer's Office through various processes to address the issues brought forward by the residents. Many issues have been addressed within a reasonable amount of time; others have yet to be addressed.

One example of a CRM process on an individual basis is my project. The Brug CRM is a project with shallow alluvial water sequestration. Thus far, the CRM process has been successful in coordinating all agencies and industry involved to allow CBM discharge water to gravity flow and rejuvenate the shallow aquifer. This allows for the water to be utilized strictly for livestock and wildlife watering. This project is in the beginning stages and actual CBM production will not occur until 2007.

However, there are other challenges on my ranch of utilizing discharge water in a capacity to irrigate my hay meadow. I utilized the discharge water for irrigation for 2005 & 2006, since then WDEQ restricted the impoundment of water for the reservoir developed to impound the irrigation water.

Fall irrigation along with moisture received this spring produced an exceptionally good crop of hay. I irrigated a small section on top of the moisture received, thus producing an even better crop. The field was completely fertilized with commercial fertilizer. The contrast between fall irrigation and spring irrigation is evident in the pictures. Four (4) pictures of irrigated hay field are included as reference.

- 1) Right hand side: irrigated last fall (2005), Left hand side: never irrigated. Picture taken July 4, 2006.
- 2) Fall irrigated twice in 2005. Picture taken June 2006.
- 3) Spring irrigated in 2006. Picture taken June 2006.

4) Never irrigated. Picture taken June 2006.

I would suggest to the task force to intensify water quality monitoring on these types of projects and not to miss the seasonal irrigation system, which allow us to receive a good crop. I would also suggest lining reservoirs or have bentonite in the reservoir, as I know water migration is an issue. The lack of a decision by WDEQ on my discharge issues in a timely manner has cost me \$9,000 in hay production and the longer I wait, the less time to I have to fall irrigate to get the same production.

A concern we hear is the untimely manner with State and Federal agencies issuing appropriate actions related to CBM produced discharge issues. We acknowledge the work of the Task Force and commend you on working with the difficult task of produced discharge water issues.

The comments we are providing to you today are based on our work at the local level. CCCD works to identify local resource concerns. Everyone benefits from cleaner water, air, and improved wildlife habitat and water management. We seek to coordinate the efforts of local, state and federal government agencies and educate the landowners and the public about CBM.